

**CONDENSED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 31 MARCH 2023  
STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

	Current Quarter 31-Mar	Comparative Quarter 31-Mar	Changes	Cumulative Quarter Ended 31 March	
	2023 RM	2022 RM		2023 RM	2022 RM
Revenue	2,098,798	N/A	N/A	6,939,602	N/A
Cost of sales	(1,369,933)	N/A	N/A	(5,889,107)	N/A
<b>GROSS PROFIT</b>	<b>728,865</b>	<b>N/A</b>	<b>N/A</b>	<b>1,050,495</b>	<b>N/A</b>
Other operating income	404,235	N/A	N/A	1,182,376	N/A
Fair value (loss) / gain on other investment	(4,909,805)	N/A	N/A	4,900,227	N/A
Administrative expenses	(2,587,274)	N/A	N/A	(7,178,392)	N/A
<b>OPERATING LOSS</b>	<b>(6,363,979)</b>	<b>N/A</b>	<b>N/A</b>	<b>(45,294)</b>	<b>N/A</b>
Finance costs	(140,364)	N/A	N/A	(287,023)	N/A
<b>LOSS BEFORE TAXATION</b>	<b>(6,504,343)</b>	<b>N/A</b>	<b>N/A</b>	<b>(332,317)</b>	<b>N/A</b>
Taxation	-	N/A	N/A	-	N/A
<b>LOSS NET OF TAX</b>	<b>(6,504,343)</b>	<b>N/A</b>	<b>N/A</b>	<b>(332,317)</b>	<b>N/A</b>
<b>Other comprehensive income</b>					
Foreign currency translation	392,646	N/A	N/A	(283,609)	N/A
Other comprehensive income for the quarter, net of tax	392,646	N/A	N/A	(283,609)	N/A
<b>TOTAL COMPREHENSIVE LOSS FOR THE QUARTER/PERIOD</b>	<b>(6,111,697)</b>	<b>N/A</b>	<b>N/A</b>	<b>(615,926)</b>	<b>N/A</b>
<b>Loss attributable to:</b>					
Owners of the parent	(6,503,293)	N/A	N/A	(330,942)	N/A
Non-controlling interests	(1,050)	N/A	N/A	(1,375)	N/A
	<b>(6,504,343)</b>	<b>N/A</b>	<b>N/A</b>	<b>(332,317)</b>	<b>N/A</b>
<b>Total comprehensive loss attributable to:</b>					
Owners of the parent	(6,110,647)	N/A	N/A	(614,551)	N/A
Non-controlling interests	(1,050)	N/A	N/A	(1,375)	N/A
	<b>(6,111,697)</b>	<b>N/A</b>	<b>N/A</b>	<b>(615,926)</b>	<b>N/A</b>
<b>Loss per share attributable to equity holders of the Company:</b>					
Basic (sen)	-0.42	N/A		-0.02	N/A
Diluted (sen)	N/A	N/A		N/A	N/A

In view of the change in financial year end from 31 May 2022 to 30 September 2022, there were no comparative financial information available presented for the corresponding 3 month period.

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the period ended 30 September 2022 and the accompanying explanatory notes attached to the interim financial statements.)

**CONDENSED INTERIM FINANCIAL REPORT**  
**STATEMENT OF FINANCIAL POSITION**  
**As at 31 March 2023**

	<b>UNAUDITED</b>	<b>AUDITED</b>
	<b>As at</b>	<b>30 SEPTEMBER</b>
	<b>31 MARCH</b>	<b>2022</b>
	<b>2023</b>	<b>RM</b>
	<b>RM</b>	<b>RM</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	21,509,057	21,001,277
Right-of-use asset	7,525,398	7,793,756
Lease receivable	55,373	75,527
Software development expenditure	107,893	198,237
Goodwill	4,680	-
Investment properties	5,750,000	5,750,000
Other investment	89,381,444	84,828,324
<b>Total Non-current assets</b>	<b>124,333,845</b>	<b>119,647,121</b>
<b>Current assets</b>		
Trade and other receivables and deposits	7,432,822	6,745,695
Inventories	3,979,196	3,589,042
Tax recoverable	73,178	6,322
Fixed deposits placed with licensed banks	765,691	765,691
Cash and bank balances	38,023,102	44,129,148
<b>Total Current Assets</b>	<b>50,273,989</b>	<b>55,235,898</b>
<b>TOTAL ASSETS</b>	<b>174,607,834</b>	<b>174,883,019</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company:</b>		
Share capital	258,497,381	258,497,381
Warrant reserve	53,982,148	53,982,148
Retained earnings	(148,553,710)	(148,222,768)
Foreign exchange translation reserve	(1,880,071)	(1,596,462)
Reserves	(96,451,633)	(95,837,082)
Shareholders' funds	162,045,748	162,660,299
Non-controlling interests	(303,645)	(302,270)
<b>Total equity</b>	<b>161,742,103</b>	<b>162,358,029</b>
<b>Non-current liabilities</b>		
Lease liabilities	6,944,849	7,235,287
Term loan	1,986,479	2,330,698
<b>Total Non-current liabilities</b>	<b>8,931,328</b>	<b>9,565,985</b>
<b>Current liabilities</b>		
Trade and other payables and deposits	2,458,081	1,572,229
Lease liabilities	802,561	775,297
Bank overdraft	-	233
Term loan	654,310	611,246
Deferred taxation	19,451	-
<b>Total Current Liabilities</b>	<b>3,934,403</b>	<b>2,959,005</b>
<b>TOTAL LIABILITIES</b>	<b>12,865,731</b>	<b>12,524,990</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>174,607,834</b>	<b>174,883,019</b>

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the period ended 30 September 2022 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 31 MARCH 2023  
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

	←-----Attributable to owner of the company-----→					Equity attributable to owners of the company RM	Non-controlling Interests RM	Total Equity RM
	Issued Capital RM	Translation Reserve RM	Share Option Reserve RM	Warrant Reserve RM	Accumulated Losses RM			
<b>2nd Quarter ended 31 March 2023</b>								
As at 1 October 2022	258,497,381	(1,596,462)	-	53,982,148	(148,222,768)	162,660,299	(302,270)	162,358,029
<b>Total comprehensive loss</b>	-	(283,609)	-	-	(330,942)	(614,551)	(1,375)	(615,926)
As at 31 March 2023	<u>258,497,381</u>	<u>(1,880,071)</u>	<u>-</u>	<u>53,982,148</u>	<u>(148,553,710)</u>	<u>162,045,748</u>	<u>(303,645)</u>	<u>161,742,103</u>

In view of the change in current financial year end from 31 May 2022 to 30 September 2022, there were no comparative financial information available for the 6-month financial period ended 31 March 2023.

**CONDENSED INTERIM FINANCIAL REPORT  
FOR THE SECOND QUARTER ENDED 31 MARCH 2023  
STATEMENT OF CASH FLOW (UNAUDITED)**

	<b>6 months ended 31.3.2023 (RM)</b>	<b>16 months ended 30.9.2022 (RM)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(332,317)	(75,280,622)
Adjustments for :		
Bad debts written off	-	38,122,147
Depreciation and amortisation	1,457,687	1,680,379
Impairment loss on receivables	85,989	2,655,828
Interest expenses	287,023	432,419
Interest income	(89,277)	(148,624)
Gain on derecognition of right-of-use assets	-	(42,688)
Gain on disposal of property, plant and equipment	-	(1)
Fair value (gain)/loss on other investment	(4,900,227)	14,322,009
Share option expenses	-	7,435,613
Unrealised loss/(gain) on foreign exchanges	1,116,462	(2,653,024)
Deregistration (winding up) of a subsidiary company	-	3,960,947
Dividend income from other investment	(1,048,388)	(909,371)
Operating loss before working capital changes	(3,423,048)	(10,424,988)
Changes in Working Capital:		
Receivables	(649,366)	(8,922,609)
Inventories	(264,471)	(3,589,042)
Payables	675,221	929,770
Cash used in operations	(3,661,664)	(22,006,869)
Interest paid	(287,023)	(78,944)
Tax paid	(716)	(1,854)
Net Operating Cash Flows	(3,949,403)	(22,087,667)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	89,277	146,779
Additions in other investment	(1,048,388)	(54,565,461)
Acquisition of subsidiary	(200,819)	-
Deregistration (Winding up) of a subsidiary company	-	(46,383,704)
Placement of fixed deposit	-	(733,124)
Proceeds from disposal of property, plant and equipment	-	1
Purchase of right-of-use asset	-	(23,186)
Purchase of investment properties	-	(2,460,000)
Purchase of property, plant & equipment	(1,354,080)	(21,617,880)
Dividend received	1,048,388	909,371
Cash received on lease receivable	-	11,400
Net Investing Cash Flows	(1,465,622)	(124,715,804)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from rights issue	-	99,745,285
Proceeds from ESOS	-	16,119,532
Share issuance expenses	-	(979,283)
Repayment of term loan	(301,155)	(348,056)
Repayment of lease liabilities	(385,057)	(905,140)
Net Financing Cash Flows	(686,212)	113,632,338
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(6,101,237)	(33,171,133)
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	(4,576)	(39,815)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	44,134,699	77,345,647
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	38,028,886	44,134,699
<b>Note: Cash and cash equivalents</b>	<b>31.3.2023</b>	<b>30.9.2022</b>
Cash and bank balance	38,023,102	44,129,148
Fixed deposit placed with licensed banks	765,691	765,691
Less: Bank overdraft	-	(233)
	38,788,793	44,894,606
Less: Fixed deposit with maturity of more than 3 months	(759,907)	(759,907)
Cash and cash equivalents	38,028,886	44,134,699

(The unaudited condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial period ended 30 September 2022 and the accompanying explanatory notes attached to the interim financial statements.)



**LAMBO GROUP BERHAD**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 MARCH 2023****A Explanatory Notes Pursuant to Malaysian Financial Reporting Standards ("MFRS") 134 Interim Financial Reporting****A8. Segmental Information (Cont'd)**Geographical segment

In determining the geographical segmental of the Group, segment revenue is based on the geographical location of customers.

The activities of the Group are conducted in Malaysia.

	Individual Quarter		Cumulative Quarter	
	Current Quarter	Preceding Year	Current 6-	Comparative
	Ended	Corresponding Quarter Ended	months ended	Quarter Ended
	31/3/2023	31/3/2022	31/3/2023	31/3/2022
	RM	RM	RM	RM
Malaysia	2,098,798	N/A	6,939,602	N/A

Segmental information by geographical segmental for the quarter ended 31 March 2023

	Malaysia	Hong Kong	Singapore	Elimination	Total
	RM	RM	RM	RM	RM
Revenue	2,112,412	-	-	(13,614)	2,098,798
Segment results	(2,741,762)	(4,137,412)	(7,133)	-	(6,886,307)
Interest income	381,964	-	-	-	381,964
Loss before taxation	(2,359,798)	(4,137,412)	(7,133)	-	(6,504,343)
Taxation	-	-	-	-	-
Net loss after taxation	(2,359,798)	(4,137,412)	(7,133)	-	(6,504,343)

**A9. Valuations of Property, Plant and Equipment**

The valuation of property, plant and equipment were brought forward without any amendments from the preceding annual financial statements.

**A10. Material Events Subsequent to the End of the Interim Period**

There were no material events subsequent to the end of the current quarter under review up to the date of this quarterly report.

**A11. Changes in the Composition of the Group**

The Company had on 31 March 2023 entered into a Share Sale Agreement with Seacera Group Berhad to acquire 100% of the issued and paid up share capital of Seaceramart Sdn Bhd ("SSB") for a consideration of RM200,000. SSB became a wholly-owned subsidiary of Lambo on the same date.

There were no other changes to the composition of the Group for the current quarter under review.

**A12. Contingent Liabilities/Contingent Assets**

The Group does not have any contingent liabilities and contingent assets as at the date of this quarterly report.

**A13. Capital commitments**

The Group has no material capital commitments in respect of property, plant and equipment in the current quarter under review.

**A14. Significant related party transactions**

During the current quarter under review, the Directors are of the opinion that the Group has no related party transactions which would have a significant impact on the financial position and business of the Group.

## LAMBO GROUP BERHAD

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### INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 MARCH 2023

#### B. Explanatory Notes Pursuant to Appendix 9B of the AMLR of Bursa Securities

##### B1. Review of Performance

The Group recorded revenue of RM2.10 million for the current quarter ended 31 March 2023, mainly from e-commerce segment, retail sales and logistics segment. The result is not comparable to the preceeding year corresponding quarter due to the change of financial year end from 31 May 2022 to 30 September 2022.

The Group recorded loss after tax of RM6.50 million for the current quarter ended 31 March 2023. This is mainly due to fair value loss on other investment amounting to RM4.91 million, depreciation amounting to RM0.74 million and staff costs amounting to RM0.77 million.

##### B2. Material changes in loss before taxation for the current quarter as compared with the immediate preceding quarter

For the quarter ended 31 March 2023, the Group recorded revenue of RM2.10 million and loss before taxation of RM6.50 million compared to revenue of RM 4.84 million and profit before taxation of RM6.17 million for the immediate preceding quarter ended 31 December 2022. The Group recorded loss before taxation of RM6.50 million mainly due to the fair value loss on other investment during the current quarter amounting to RM4.91 million compared to fair value gain on other investment incurred in the immediate preceding quarter ended 31 December 2022 amounting to RM9.81 million.

##### B3. Current Year Prospects

With the recovery of the economy after the COVID-19 pandemic, the Group intends to leverage on this to regroup and improve its business operations and financial performance. In this regard, the Group has launched a specialised e-commerce platform, LamboCellar, to market liquor products. It is also expanding its warehousing and logistics capability and capacity to support and expand its Lamboplace, Lambomove and LamboCellar platform and operations by setting up the warehouses in Petaling Jaya and Klang. The Group has official launched a retail/restaurant, La Fleur, in Publika, Mont Kiara, Kuala Lumpur in February 2023 to sell wine. However, the Group expects that the path to recovery may be challenging and will take a cautious stance in conducting its business operations.

As announced by the Company on 22 August 2022, the Company has been classified as an affected listed corporation pursuant to Rule 8.03A of the AMLR. In addition, as announced by the Company on 31 January 2023, the Company was classified as a Guidance Note 3 ("GN3") company as a result of triggering the prescribed criteria under paragraph 2.1(f) of GN3 of the AMLR. The Company is presently taking the necessary steps to formulate a regularisation plan to regularise its financial condition and will endeavour to submit a workable plan to the relevant authorities within the prescribed timeline.

##### B4. Forecast of Profit After Tax

Not applicable as no forecast was issued as public document.

##### B5. Tax Expenses

	Group	
	6-month ended 31-Mar-23 RM	16-month ended 30-Sep-22 RM
Income tax		
- current year provision	-	-
- underprovision in previous year	-	-
	<u>-</u>	<u>-</u>

##### B6. Unquoted Securities and/or Properties

There were no purchases or disposal of unquoted securities and/or properties for the current quarter and financial year-to-date under review.

##### B7. Quoted Securities

The details of the investment in quoted shares as at 31 March 2023 are as below:

	RM'000
Cost of investment	69,525
At market value	28,922

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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 MARCH 2023****B. Explanatory Notes Pursuant to Appendix 9B of the AMLR of Bursa Securities****B8. Status of Corporate Proposals**

There was no corporate proposal announced but not completed for the quarter under review.

**B9. Group Borrowings and Debt Securities**

The Group's borrowing as at 31 March 2023 is as below:

	Short-term RM	Long-term RM	Total RM
Hire purchase	51,244	139,081	190,325
Lease liability	751,316	6,805,769	7,557,085
Term loan	654,310	1,986,479	2,640,789
	1,456,870	8,931,329	10,388,199

The Group's borrowing as at 30 September 2022 is as below:

	Short-term RM	Long-term RM	Total RM
Hire Purchase	44,696	170,492	215,188
Lease liability	730,601	7,064,795	7,795,396
Bank overdraft	233	-	233
Term loan	611,246	2,330,698	2,941,944
	1,386,776	9,565,985	10,952,761

**B10. Loss Before Tax**

Loss for the period is arrived after crediting/(charging) the following:

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended	Comparative Quarter Ended	Current Year to Date	Preceding Year Corresponding period
	31/3/2023 RM'000	31/3/2022 RM'000	31/3/2023 RM'000	31/3/2022 RM'000
Fair value (loss)/gain on other investment	(4,910)	N/A	4,900	N/A
Interest income	382	N/A	1,138	N/A
Interest expense	(140)	N/A	(287)	N/A
Depreciation and amortisation	(745)	N/A	(1,458)	N/A
Impairment loss on receivables	(16)	N/A	(86)	N/A
Unrealised loss on foreign exchange	95	N/A	(1,116)	N/A

**B11. Changes In Material Litigation**

There was no material litigation during the financial period under review.

**B12. Dividend**

The Board does not recommend any dividend for the quarter under review.



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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 MARCH 2023****B. Explanatory Notes Pursuant to Appendix 9B of the AMLR of Bursa Securities****B13. Status of Utilisation of Proceeds**30% Private Placement

On 18 September 2020, the private placement was completed following the listing and quotation of total 813,303,800 placement shares on the ACE Market of Bursa Securities. As at 31 March 2023, the status of utilisation of the proceeds raised is as follow:

Description	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance to be Utilised RM'000	Intended Timeframe for Utilisation
<b><i>E-Commerce Business Expansion</i></b>				
Marketing campaigns	18,232	(3,670)	14,562	Within 24 months
System enhancement	5,000	(2,238)	2,762	Within 12 months
Expansion of warehousing and delivery capability and capacity	4,500	(3,583)	917	Within 6 months
Hiring of personnel	4,500	(4,215)	285	Within 36 months
Office expansion	1,000	-	1,000	Within 12 months
Estimated expenses for the exercise	800	(485)	315	Immediate
Total	34,032	(14,191)	19,841	

20% Private Placement

On 2 February 2021, the private placement was completed following the listing and quotation of total 775,063,300 placement shares on the ACE Market of Bursa Securities. As at 31 March 2023, the status of utilisation of the proceeds raised is as follow:

Description	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance to be Utilised RM'000	Intended Timeframe for Utilisation
<b><i>Wine Business</i></b>				
Procurement of inventory	6,147	(6,837)	(690)	Within 12 months
Setting up of a new warehouse	5,000	(1,868)	3,132	Within 6 months
Marketing and promotion	4,000	(525)	3,475	Within 24 months
Development of a new platform	2,000	(304)	1,696	Within 18 months
Working Capital	3,000	(3,000)	-	Within 24 months
Estimated expenses for the exercise**	940	(250)	690	Immediate
Total	21,087	(12,784)	8,303	

\*\* Surplus funds following the payment of expenses will be used for investment in wine business, i.e. procurement of inventory

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**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 31 MARCH 2023****B. Explanatory Notes Pursuant to Appendix 9B of the AMLR of Bursa Securities****B13. Status of Utilisation of Proceeds (Cont'd)***Rights issue with free warrants*

On 13 September 2021, the rights issue with warrants was completed following the listing and quotation of 997,452,851 Rights Shares, 398,981,138 Warrants C and 52,552,670 additional Warrants B on the ACE Market of Bursa Securities. As at 31 March 2023, the status of utilisation of the proceeds raised is as follow:

Description	Proposed Utilisation	Actual Utilisation	Balance to be Utilised	Intended Timeframe for Utilisation
	RM'000	RM'000	RM'000	
System Enhancement	8,000	-	8,000	Within 12 months
Purchase of motor vehicles	2,000	-	2,000	Within 6 months
Expansion of warehousing capability and capacity	40,000	(19,777)	20,223	Within 18 months
Marketing campaign	15,000	-	15,000	Within 12 months
Acquisition and/or investments in complementary businesses and/or assets	20,000	(9,677)	10,323	Within 24 months
Working capital	13,740	(3,608)	10,132	Within 24 months
Expenses for the Corporate Exercises	1,005	(979)	26	Immediate
Total	99,745	(34,041)	65,704	

**B14. Loss Per Share**

Basic loss per share is calculated by dividing the net profit for the period attributable to owner of the company by the weighted average number of ordinary shares in issue during the period.

	Current Quarter		Cumulative	
	Current Year Quarter 31.3.2023	Preceding Year Corresponding Quarter 31.3.2022	Current Year To Date 31.3.2023	Preceding Year Corresponding period 31.3.2022
	RM	RM	RM	RM
Loss net of tax attributable to owner of the company	(6,503,293)	N/A	(330,942)	N/A
Weighted average number of ordinary shares	1,540,499,046	N/A	1,540,499,046	N/A
LPS (sen) - Basic	(0.42)	N/A	(0.02)	N/A
- Diluted	N/A	N/A	N/A	N/A

**Diluted**

The fully diluted loss per ordinary share of the Group for the current financial period is not presented as the warrants would be anti-dilutive as the exercise price is higher than the fair value of the Company's shares.